#### ALIFORNIA ENERGY COMMISSION

16 NINTH STREET CRAMENTO, CA 95814-5512

December 28, 2000



Mr. Mark Harrer Southern Energy California 1350 Treat Bl. Walnut Creek, CA 94596

Dear Mr. Harrer:

#### POTRERO POWER PLANT UNIT 7 PROJECT DATA REQUESTS —SET 3

Pursuant to Title 20, California Code of Regulations, section 1716, the California Energy Commission staff requests the information specified in the enclosed data requests. The information requested is necessary to: 1) more fully understand the project, 2) assess whether the facility will be constructed and operated in compliance with applicable regulations, 3) assess whether the project will result in significant environmental impacts, 4) assess whether the facilities will be constructed and operated in a safe, efficient and reliable manner, and 5) assess potential mitigation measures.

Enclosed are data requests in the areas of biological resources and power plant efficiency. Written responses to the enclosed data requests are due to the Energy Commission staff on or before January 29, 2001. Staff expects to conduct one or more public workshop(s) to discuss current data requests and data responses in San Francisco during the third week of January 2001. The date(s) and time(s) will be issued no later than ten (10) calendar days prior to the workshop(s). The data response portion will pertain to the responses to staff s second set of data requests, issued November 28, 2000, for which responses were received on December 21, 2000. The data request portion will address this third set of staff s data requests.

If you are unable to provide the information requested, need additional time to provide the information, or object to providing it, you should send a written notice to both Commissioner Robert Pernell, and to me within 15 days of receipt of this notice. The notification must contain the reasons for not providing the information, the need for additional time and the grounds for any objections (see Title 20, California Code of Regulations, section 1716 (e)).

If you have any questions regarding the enclosed data requests, please call me at (916) 653-0159.

Sincerely,

Marc S. Pryor
Energy Facility Siting Project Manager

**Enclosure** 

Potrero Power Plant Unit 7 Project Proof of Service List

Docket (00-AFC-4)

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**TECHNICAL AREA:** Air Quality

**AUTHOR:** Tuan Ngo

#### **BACKGROUND**

Table 8.1-11 of the Application for Certification (AFC) indicates that the project s sulfur dioxide (SO2) emissions are 51.9 tons per year (TPY), which are less than 100 TPY. Therefore, the AFC concludes that offsets for SO2 are not required per the Bay Area Air Quality Management District (District) rules and regulations. However, because the project area is non-attainment for PM10, and SO2 is a precursor to PM10, staff believes that appropriate mitigation for the project s SO2 emissions may be necessary if the project s SO2 emissions contribute to a significant secondary PM10 impact.

In the first set of Data Requests (November 7, 2000), staff requested that Southern California Energy (SECAL) provide an analysis that shows the project SO2 emissions will not contribute significantly to the existing PM10 violations in the area. SECAL has provided an analysis, which shows that the project s SO2 emissions contribute approximately 0.3  $\mu$ g/m3 to the 24-hour PM10 standard and 0.1  $\mu$ g/m3 to the annual PM10 standard. SECAL believes that these contributions, in addition to the direct PM10 emission impacts, are still below the significant level defined in the District s New Source Review rule. Therefore, SECAL concluded that the project s SO2 contribution to PM10 violations is not significant, and that further mitigation for SO2 is not needed.

Staff does not agree. Because the area is non-attainment for the PM10 standard, any contribution to the PM10 violation is significant; therefore, staff will recommend that mitigation for SO2, in the form of offsets, be provided.

#### **DATA REQUESTS**

162. Please identify the necessary mitigation such as offsets, and a discussion of whether such mitigation measures are effective to reduce the project s SO2 emission impacts to a level of insignificance.

#### **BACKGROUND**

Effectiveness of Emission Reduction Credits:

As proposed, the Potrero Power Plant Unit 7 Project will potentially emit 49 tons per year (TPY) of organic compounds (VOC), 179 TPY of nitrogen oxide (NOx), 52 TPY of SO2, and 111 TPY of PM10. SECAL proposed to purchase emission reduction credits of 205 TPY NOx, 57 TPY VOC, and 111 TPY of PM10 as mitigation for the project. The emission reduction credits, however, were originally generated from facilities located in Martinez, Antioch and San Leandro. Although the emission reduction credits or offsets satisfy the District's New Source Review requirement, staff believes that an analysis

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should be performed to show that the emission reduction credits are effective in mitigating the project impacts or its contributions to the violations of ozone and PM10 standards.

### **DATA REQUESTS**

163. Please provide an analysis to show the effectiveness of the proposed offsets in mitigating the project s contributions to the ambient air quality in the area.

### **BACKGROUND**

Construction Modeling Analyses Results:

The AFC indicates that the construction of the facility and the transmission line will cause a new violation of the state annual PM10 standard and a new violation of the state 1-hour NO2 standard.

Staff has requested SECAL to provide necessary steps to be taken to ensure that the construction of the facility and the transmission line will not cause a new violation of the annual PM10 standard and the 1-hour NO2 standard. SECAL, in its November 17, 2000, responses to staff s first set of data requests, has provided specific construction measures to be employed to reduce the level of impacts caused by construction of the transmission line and the facility. SECAL has not provided a revised estimate of the facility and transmission line construction s impacts after the implementation of the construction measures.

## **DATA REQUESTS**

164. Please provide a revised estimate of emissions and impacts of the project and the transmission line constructions. This estimate should take into account the realistic construction schedules, and the expected emissions with all emission mitigation measures proposed in the November 17, 2000, responses to staff s first set of data requests.

**TECHNICAL AREA:** Biological Resources (Aquatic)

**AUTHOR:** Dr. Noel Davis

### **BACKGROUND**

The Draft Initial Findings Report Offshore Sediment Sampling Potrero Power Plant (URS 2000) identifed high levels of polyaromatic hydrocarbons (PAH) in sediments offshore the Power Plant. There is a potential that PAHs in these sediments could become bioavailable if sediments were resuspended during construction.

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### **DATA REQUESTS**

165. Please describe in detail the measures that the applicant intends to take to avoid contaminating bay waters with pollutants in these sediments during construction.

## **BACKGROUND**

There is a potential that chemicals used in cleaning the cooling water system or discharge pipe may be harmful to aquatic resources in the bay. In addition, the discharge of fouling organisms that may have colonized the cooling water system could affect the bay ecosystem.

#### **DATA REQUEST**

166. Please identify the chemicals that will be used to inhibit biofouling, and please describe the methods that will be used to clean the intake and discharge structures. Please discuss the potential effects of cleaning of the system and chemicals used to inhibit biofouling on aquatic resources.

# **BACKGROUND**

Cables will be installed by boring under Islais Creek. Becky Ota of the California Department of Fish and Game has expressed a concern that construction near Islais Creek may have the potential to suspend contaminant present in creek sediments.

#### **DATA REQUEST**

167. Please describe the procedures that the applicant would use to avoid contamination of bay waters in the event of a frac-out when boring under Islais Creek.

#### **BACKGROUND**

The Aquatic Resources section in the Application assumes that the Hunters Point Power Plant will cease operations when the Potrero Plant Unit 7 comes on line. However, if the Hunters Point Plant continues to operate there will be a cumulative impact to the aquatic resources of the bay from two plants operating in such close proximity.

### **DATA REQUEST**

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168. Please describe the cumulative impacts to aquatic resources if the Hunters Point Plant and the Potrero Plant are both in operation when the Unit 7 Project begins operations.

**TECHNICAL AREA:** Efficiency

**AUTHOR:** Steve Baker

## **BACKGROUND**

Adequate means to transport natural gas fuel to the project are essential. Section 6.0 of the AFC states that Unit 7 will be connected to the existing PG&E gas pipeline. Section 2.2.5 describes the connection and its limitations (i.e., insufficient gas unless Hunters Point is shut down). Appendix I lists other projects that may create cumulative impacts (and does not address the United Golden Gate power project).

# **DATA REQUESTS**

169. Please describe how the existing gas supply pipelines and the proposed interconnecting pipeline will provide adequate means to transport natural gas to the project. Include consideration of the proposed United Golden Gate power project at San Francisco International Airport.